



التاريخ: ٢٠١٩/٨/٦

السادة / بورصة عمان المحترمين

تحية طيبة وبعد،

مرفق طية البيانات المالية كما في ٢٠١٩/٦/٣٠ باللغة الإنجليزية.

وتفضلوا بقبول فائق الاحترام



شركة سبأ لسكب المعادن

رئيس مجلس الإدارة

المهندس بسام العقيلي

بورصة عمان
الدائرة الإدارية والمالية
الديوان

٦ آب ٢٠١٩

الرقم المتسلسل: 3930

رقم الملف: 11223

الجهة المختصة: [Handwritten signature]



To: Amman Stock Exchange

Date: 6/8/2019

Subject: Quarterly report as of 30/6/2019

Attached the company's Quarterly report of Sheba Metal Casting as of 30/6/2019



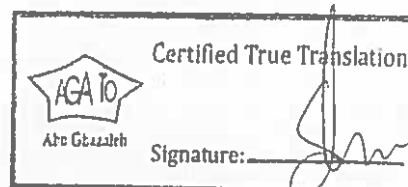
Kindly accept our high appreciation and respect.

Sheba Metal Casting



SHEBA METAL CASTING CO.
(A LIMITED PUBLIC SHAREHOLDING COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN

Summarized Periodical Financial Statements (Unaudited Review)
And auditing report
For the 3 months ended on 30/06/2019



SHEBA METAL CASTING CO.
(A LIMITED PUBLIC SHAREHOLDING COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN

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Audit Report on Summarized Periodical Financial Position Statements

627 19 03

Messrs. President & members of the BOD

Sheba Metal Casting Co. (A Limited Public Shareholding Company)

Amman -The Hashemite Kingdom of Jordan

Introduction:

We have reviewed the attached summarized periodical financial position statements of the above company consisting of financial position statement as at 30/06/2019, comprehensive income statement, changes in equity shares, and cash flows for 3 months; then ended period, as well as summary of the important accounting policies and other explanations.

The management is responsible of preparing such financial statements pursuant to Int. standards set out for preparing the IFRS Statements / International Accounting Standard No. 34 (Interim financial reports). While our responsibility is to reach conclusion on such statements based on our audit procedures.

Audit Scope:

We have reviewed based on IFRS requirements relating to review operations 2410; interim financial information review by independent auditor. Such operation is represented by establishing inquires, as basic matter, from persons in charge of financial, accounting matters and applying analytical procedures and other at procedures. Reviewing works scope is much less than audit works which are performed based on IFRS and thus review works do not enable us to obtain assurances on all important matters which it is possible to be defined through our audit works, So we do not set out our opinion thereon.

Preserve Conclusion Basis:

The accumulated losses of the co., read 897,557 Dinars as at 30/06/2019. Such losses equal 75,2% of the subscribed capital. Based on Jordanian Companies Law Requirements, the company shall straighten up its legal statuses under article No.(266) (A) paragraph (4).

The company suffers net and total loss as stated in the comprehensive income statement, also its current liabilities equal 8 doubles of its current assets. Also the company is unable to fulfill its current short-term obligations, through its current assets.

By virtue of our review we did not notice any matters the summarized interim financial statements, attached, are not prepared, from all material aspects, in conformity with the IFRS No. (34); in respect of interim financial reports.

Ibrahim Abbasi Co. & his Partners
Ahmad Mohammad Abbasi (Signed)
License no. 710

Official Seal

Amman on: 30/07/2019



Sheba Metal Casting Co.
(A Limited Public Shareholding Company)
Amman - The Hashemite Kingdom of Jordan

Statement of Summarized Periodical Financial Position
as at June 30, 2019 (Unaudited Review)

| In JD | 30/06/2019 (Review) | 31/03/2018 (Audited) |
|-------------------------------------------------|------------------------|-------------------------|
| <u>Assets</u> | | |
| <u>Current Assets</u> | | |
| Cash and cash equivalent | 27,917 | 4 |
| Accounts receivables - in Net | 28,807 | 13,306 |
| Goods in warehouses | 10,599 | - |
| Other receivables balances | 13,063 | 12,672 |
| Total of Current Assets | 80,386 | 25,982 |
| <u>Non- Current Assets</u> | | |
| Properties & Equipments -in Net | 383,507 | 483,158 |
| Total of Non-Current Assets | 383,507 | 783,158 |
| Total of Assets | 463,893 | 509,140 |
| <u>Liabilities & Equities</u> | | |
| <u>Current Liabilities</u> | | |
| Postdated cheques | - | 48,869 |
| Accounts payable | 37,319 | 95,136 |
| Short-term Loans | - | 41,867 |
| Other credit balances | 14,130 | 24,337 |
| Total of Current Liabilities | 51,449 | 174,209 |
| <u>Equity</u> | | |
| Declared capital | 5 | 1,250,000 |
| Subscribed capital & paid capital | 5 | 1,193,474 |
| Capital increase payments | - | 10,961 |
| (Bonds) Discount | 5 | (96,737) |
| Statutory reserve | 138,500 | 138,500 |
| Optional reserve | 58,512 | 58,517 |
| Special reserve | 16,252 | 16,252 |
| Accumulative losses at the end of period / year | (897,557) | (969,075) |
| Equity Net | 412,444 | 334,931 |
| Total of Liabilities & Equity | 463,893 | 509,140 |



(The attached explanations are integral part from these data and shall be read with)

Sheba Metal Casting Co.
(A Limited Public Shareholding Company)
Amman -The Hashemite Kingdom of Jordan

Statement of Summarized Periodical Comprehensive Income
For the 6 months ended on 30/06/2019

| <u>In JD</u> | <u>30/06/2019</u> <u>(Review)</u> | <u>30/06/2018</u> <u>(Review)</u> |
|-----------------------------------------------------------|--------------------------------------|--------------------------------------|
| Net sales | 28,344 | 59,138 |
| Sales Costs | (57,143) | (124,181) |
| Total loss | (28,799) | 65,043 |
| General & Administrative Expenses | (41,702) | (56,962) |
| Depreciations Expenses | (13,448) | (21,791) |
| Financing Expenses | (1,548) | (2,588) |
| Refunds from debtors impairment | 8,349 | - |
| Profits/ losses originating from fixed assets sale | 134,837 | - |
| Term, losses/ profits before tax | 57,689 | (146,384) |
| Income tax | - | - |
| Term, losses/ profits after tax | 57,689 | (146,384) |
| <u>Basic & decreased Share Value from loss period</u> | | |
| Share loss value during period | 0.049 | (0.146) |
| Weighted average of shares number | 1,182,167 | 1,000,000 |

(The attached explanations are integral part from these data and shall be read with)

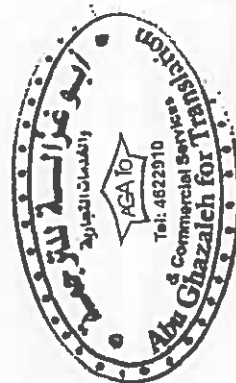


Sheba Metal Casting Co.
(A Limited Public Shareholding Company)
Amman - The Hashemite Kingdom of Jordan

Statement of Summarized Periodical Changes in Equity for the 6 months ended on 30/06/2019

| | In JD | | The Capital | Capital increase payments | (Bonds) Discount | Compulsory Reserve | Optional Reserve | Special Reserve | Accumulative Losses | Net |
|----------------------------------------|-----------|----------|-------------|---------------------------|------------------|--------------------|------------------|-----------------|---------------------|-----|
| | JD | JD | | | | | | | | |
| For the period ended 30/06/2019 | | | | | | | | | | |
| Balance as at 01/01/2019 (Audited) | 1,159,552 | 10,961 | (79,776) | 138,500 | 58,517 | 16,252 | (969,075) | 334,931 | | |
| Previous years Amendments | | | | | (5) | | 13,829 | 13,824 | | |
| Amended opening balance | 1,159,552 | 10,961 | (79,776) | 138,500 | 58,512 | 16,252 | (955,246) | 348,755 | | |
| ????? | | 6,000 | | | | | | 6,000 | | |
| Decrease value in debit receivables | 33,922 | (16,961) | (16,961) | | | | | | | |
| Period Losses | - | - | - | - | - | - | 57,689 | 57,689 | | |
| Balance as at 30/06/2019 (Review) | 1,193,474 | - | (96,961) | 138,500 | 58,512 | 16,252 | (897,557) | 412,444 | | |
| For the period ended 30/06/2018 | | | | | | | | | | |
| Balance as at 01/01/2018 (Audited) | 1,000,000 | - | - | 138,500 | 58,517 | 16,252 | (611,482) | 601,787 | | |
| Previous years Amendments | - | - | - | - | - | - | (6,576) | (6,576) | | |
| Amended opening balance | 1,000,000 | - | - | 138,500 | 58,517 | 16,252 | (618,058) | 595,211 | | |
| Period Losses | 159,552 | - | (79,776) | - | - | - | - | 159,552 | | |
| Balance as at 30/06/2018 (Review) | 1,159,552 | - | (79,776) | 138,500 | 58,517 | 16,252 | (146,384) | (79,776) | | |
| | | | | | | | (764,442) | 528,603 | | |

(The attached explanations are integral part from these data and shall be read with)



Sheba Metal Casting Co.
(A Limited Public Shareholding Company)
Amman - The Hashemite Kingdom of Jordan

Statement of Summarized Periodical Cash Flow for the 6 months ended on 30/06/2019

| In JD | 30/06/2019 (Review) | 30/06/2018 (Review) |
|--------------------------------------------------------|------------------------|------------------------|
| <u>Cash flows from operating activities</u> | | |
| Term profits / loss | 57,689 | (146,384) |
| Amendments: | | |
| Previous years Amendments | 13,829 | (6,576) |
| Depreciations & amortizations | 13,448 | 21,791 |
| Profits/ losses fixed assets sale | (134,837) | - |
| Provision impairment in debtors | (8,349) | - |
| Changes in items of operating capital | (58,220) | (105,329) |
| Cheques under collection | - | 7,510 |
| Accounts Receivables - in Net | (7,152) | 34,636 |
| Goods at Warehouses | (10,599) | 61,996 |
| Other Receivables Balances | (391) | (2,061) |
| Accounts payable | (21,817) | 11,680 |
| Postdated Cheques | (48,869) | 36,121 |
| Other credit balances | (10,212) | (122,879) |
| Net cash flow from operating activities | (157,260) | (78,326) |
| <u>Cash flows from investment activities</u> | | |
| Collection from fixed assets sale | 222,171 | - |
| Fixed assets purchases | (1,131) | - |
| Net cash flow from investment activities | 221,040 | - |
| <u>Cash flow from financing activities</u> | | |
| Credit Banks | - | 10,845 |
| Loans | (41,867) | (8,479) |
| Capital increase | 33,922 | 159,552 |
| Payments to capital account | (10,961) | |
| Bonds discount | (16,961) | (79,776) |
| Net Cash flow from financing activities | (35,867) | 82,142 |
| Changes in cash balance & cash equivalence | 27,913 | 3,816 |
| Cash and cash equivalent at the beginning of the year | 4 | 613 |
| Cash and cash equivalent at the end of the year | 27,917 | 4,429 |

(The attached explanations are integral part from these data and shall be read with)



Sheba Metal Casting Co.
Public Shareholding Company
Amman- the Hashemite Kingdom of Jordan

Notes on Summarized Periodical of Financial Statements (Unaudited Review)

1- General Information

Sheba Metal Casting Co. has been established on 02/06/1992 as a limited liability company under ref. No. (2833) on 12/02/2006 the company has been changed to Public Shareholding Company and registered in the records of public shareholding companies Co. under ref. No. (383).

The most significant objectives of the company are as follows:

- Establishing, owning and operating metal casting.
- Importing raw materials and machineries.
- Selling its products to the domestic market and export.

2- Basis of preparation of the interim consolidated financial statements

- The above statements have been prepared, as at 30/06/2019, in accordance with IFRS No. (34) (Interim financial reports.)
- The above reports do not include all information and required annual financial statements prepared in conformity with IFRS.
- In order to prepare the financial reports it shall be read with the annual report as at 31/12/2018, Further, the activities outcomes for the last six months ending on 30/06/2019 do not, necessarily, represent indicator of the expected results for the year ending on 31/12/2019.
- Financial statements are recognized in JD which is the main currency in the company.

3- Important accounting policies

- The interim IFRS preparation for the 6 months ending on 30/06/2019, is made pursuant to IFRS No. (34) requires using important certain accounting assessments. It also requires the management to employ its assessments in the company accounting policies application.
- Assessments and suppositions employed in preparing the IFRS were disclosed within explanation No. (4).
- Further the above IFRS preparation was made in conformity with applied accounting policies at the latest IFRS of the year ending 31/12/2018.



Changes in accounting Policies

- During the current period the company adopted amended, improved and new IRFS to become valid on the annual periods starting 01/01/2019.
- International Financial Reporting Standard No. (16) - rents.
- Interpretation No. (23) of IFRS commission, in respect of doubt on methods adopted to deal with taxes.
- Amendments on International Financial Reporting Standard No. (9) - financial tools, advance payments privileges of negative compensation.
- Amendments on International accounting Standard No. (28) - investment in affiliate companies, and joint projects, long-term shares in affiliate companies and joint projects.
- Amendments on International accounting Standard No. (19) - employees benefits; plan's amending, minimizing or settling.
- Amendments on various standards based on annual improvements on IFRS, period of 2015-2017

3- Important Accounting estimations and suppositions

There were no material amendments on nature and amount thereof in annual comparative year lists.

- Using Assessments

Preparing financial statements and applying accounting policies require the company management to perform assessments and diligences that affect amounts of assets, financial liabilities and disclosing the contingent obligations. On the other hand, such assessments and diligences impact also incomes, expenses, provisions and changes in fair value that are recognized within equity rights. The company management is required to issue important diligences and rules to assess future amounts cash flows and relevant times. These assessments are based on suppositions and various factors that carrying varying degrees of estimation and uncertainty. Also the actual outcomes may differ than assessments due to future changes originating from such assessments statuses and circumstances.

The company management believes that the financial statements assessments are reasonable and detailed as follows:

Debtors impairment provision shall be formed based on basis and suppositions accredited by the company management, to assess the provision which should be formed under IRS requirements. The fiscal year shall carry its share of income tax expenses based on laws and bylaws. The management re-assesses, periodically, productive ages of the tangible assets to compute annual depreciations depending on such assets general condition and the assessments of the productive ages expected in future. Impairment loss, if any, shall be recognized in the income statement.



Provision is allocated for pending cases filed against the company depending on legal study prepared by the company lawyer, via which risks expected to faced in future are defined, and subject to review in such studies on periodical manner

The management shall carry out periodical audit of the financial assets that are recognized at cost, to assess any impairment in its value. Such impairment shall be recognized in the income statement of the period.

5- Capital

Based on General Assembly extraordinary meeting of the company held on 25/3/2018, decision to increase the declared, paid and subscribed capital is issued from 1,000,000 share/dinar to become 1,250,000 share/dinar via issuing 250,000 shares for special subscription at 0.500 bond discount / one share. Thus total issuance shall read 125 thousand dinars. Based on the foregoing certificate has been issued from Ministry of Industry and trade referring that the declared capital is 1,250,000 share/dinar and the subscribed capital is 1,079,776 share/dinar.

In 2019, the capital has been increased by 33,922 dinars against discount bond of 16,961 and thus the subscribed capital shall read 1,193,474 share/dinar and discount bond is 96,737 dinar as at 30/6/2019

The following is the movement on capital:

| | <u>30/06/2019</u> | <u>31/12/2018</u> |
|---------------------------------------|-------------------|-------------------|
| | <u>JD</u> | <u>JD</u> |
| Capital at the beggning period / year | 1,159,552 | 1,159,552 |
| Capital increase | 33,922 | - |
| Capital at the ending period / year | 1,193,474 | 1,159,552 |

5- Taxation

The company audited he income tax as at 2016, and tax balance is Zero at same term. The company submitted its tax declarations of 2018, but the concerned management did not perform audit process so far 2017.

In the opinion of the tax consultant of the company, there is no need to calculate the income tax for the period as at 30/6/2018, due to accumulated losses of 2017,2018

*Comparative figures

Reclassification the comparative figures, if necessary, to suit the current period figures.

